



State of New Jersey

Board of Public Utilities
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JAMES E. MCGREEVEY
Governor

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July 1, 2004

TO ALL INTERESTED PARTIES:

Re: Clarification of Board order regarding the RPS Alternative
Compliance Payment - Docket No. EX0308061611

At its agenda meeting of December 17, 2003, the Board approved an order setting the amount of the Alternative Compliance Payment (ACP), and the Solar Alternative Compliance Payment (SACP), which are to be used in implementing the recently adopted amendments to the Board's Renewable Portfolio Standards (RPS) rules. (See the April 19, 2004 issue of the New Jersey Register). The ACP order was issued after the proposal of the RPS rule amendments, but prior to adoption of those amendments. The order states that "The \$50.00/MWH ACP and the \$300.00/MWH SACP are set for the 2004 RPS reporting year only." After the order was issued, the Board adopted the RPS rule amendments, with minor changes.

Upon adoption of the RPS rule amendments, there was a minor change in the definition of a "reporting year." In the proposed amendments to the RPS rules, the definition stated that: A reporting year shall be numbered according to the calendar year in which it begins, so that reporting year 2004 runs from June 1, 2004 through May 31, 2005.

However, this sentence was changed upon adoption of the proposal, as follows: (deletions in brackets, additions underlined):

A reporting year shall be numbered according to the calendar year in which it **[begins]** **ends**, so that reporting year **[2004]** **2005** runs from June 1, 2004 through May 31, 2005.

This change was made to make the term consistent with the terminology used for the State's fiscal year, and with standard accounting terminology. However, by making this minor change upon adoption, the Board inadvertently changed the meaning of the previously issued ACP order.

Accordingly, this letter is to clarify that the ACP and SACP amounts set in the Board's ACP order of December 18, 2003 are effective through May 31, 2005. Specifically, the amounts set in the Board's December 18, 2003 Order shall be construed as referring to the 2005 RPS reporting year, consistent with the RPS rules upon adoption.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristi Izzo", with a stylized flourish extending to the right.

Kristi Izzo
Secretary of the Board

KI/ac